

# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Debra Figone

**SUBJECT:** TIER 2 POLICE SWORN  
CONTINGENCY PLAN

**DATE:** May 19, 2011

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## RECOMMENDATION

If a 10% ongoing total compensation reduction is not achieved with the San Jose Police Officers' Association (SJPOA), it is recommended that the City Council approve the following 2011-2012 Proposed Operating Budget rebalancing actions:

1. Approve the following amendments to the 2011-2012 Proposed Budget in the General Fund:
  - a. Increase the revenue estimate for Transfers and Reimbursements in the amount of \$375,000;
  - b. Increase the City-Wide Expenses Sick Leave Payments Upon Retirement appropriation in the amount of \$350,000;
  - c. Establish a Transfer to the Unemployment Insurance Fund in the amount of \$2,650,000;
  - d. Decrease the Police Department's Personal Services appropriation in the amount of \$2,020,000; and,
  - e. Decrease the Police Department's Non-Personal/Equipment appropriation in the amount of \$605,000.
2. Approve the following amendments to the 2011-2012 Proposed Budget in the Airport Maintenance and Operation Fund:
  - a. Increase the Transfer to the General Fund for Police Services appropriation in the amount of \$375,000; and,
  - b. Decrease the Contingency Reserve in the amount of \$375,000.
3. Approve the following amendments to the 2011-2012 Proposed Budget in the Unemployment Insurance Fund:
  - a. Increase the revenue estimate for Transfers in the amount of \$2,650,000; and,
  - b. Increase the Payment of Claims appropriation in the amount of \$2,650,000.
4. Eliminate the following positions in the Police Department: 134 Police Officer positions; 21 Police Sergeant positions; and 1 Police Lieutenant position.

an additional 156 sworn positions will be necessary to balance the 2011-2012 Budget. This level of reduction is necessary to cover the direct loss of savings from employee concessions (\$13.0 million) as well as the additional costs associated with laying off employees and not implementing the compensation reductions (\$6.1 million). The additional costs associated with laying off employees include those related to Unemployment Claims payments and compensatory time and vacation pay-outs (\$4.6 million). Additionally, savings linked to presumed reduction in the hourly rate of sworn personnel (i.e.: overtime/special pays and Sick-Leave Payments Upon Retirement) will no longer be realized (\$1.5 million). Therefore, the funding shortfall resulting from not achieving the value of 10% total compensation reduction amounts to \$19.1 million. To generate these savings, the elimination of 156 positions and the associated expenditure and revenue budget actions are needed as reflected in the following table.

**Tier 2 Police Sworn Contingency Plan  
 Budget Balancing Actions**

Description	Amount
<b>Tier 2 Shortfall</b>	
Not Achieving POA Concessions	\$ 12,975,000
Unemployment Claims	2,650,000
Compensatory Time Payout	1,360,000
Overtime/Special Pays	1,180,000
Vacation Payouts	630,000
Sick-Leave Payment Upon Retirement	350,000
<b>Total Tier 2 Shortfall</b>	<b>\$ 19,145,000</b>
<b>Tier 2 Solutions</b>	
Position Eliminations	
- POA Sworn Positions (156 positions)	(\$ 27,800,000)
- Annual Retirement Contribution	9,535,000
- Unemployment Contribution	100,000
<b>Sub-Total Position Eliminations</b>	<b>(18,165,000)</b>
Airport Fund Reimbursement	(375,000)
Police Department Non-Personal/Equipment	(605,000)
<b>Total Tier 2 Solutions</b>	<b>(\$ 19,145,000)</b>

As shown in the chart above, the elimination of 156 positions would generate savings of \$27.8 million. However, because a fixed annual payment to the Police Retirement Plan is required and the Unemployment Insurance Fund must maintain its funding level, the savings generated from these two components totaling \$9.6 million must be restored, resulting in net position savings of \$18.2 million. Without the 10% concessions, the reimbursement to the General Fund from the Airport Operations and Maintenance Fund for Police services provided at the Airport will be increased by \$375,000 to account for the reversal of the presumed reduction in the hourly rate of sworn personnel. The Tier 2 Police Sworn Contingency Plan also includes the reduction in the non-personal/equipment budget of \$605,000 based on the reduced staffing level.

Contingency Plan Changes	Positions	General Fund \$
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**1. Police Field Patrol (Cont'd.)**

The Metro Unit will continue efforts to minimize gang activity; however, enforcement efforts will be directed toward issues having the greatest impact on Patrol. The four teams within Metro will be deployed in each of the four Patrol Divisions based on calls for service and other crime issues and will maintain flexibility to assist Patrol and respond to calls for service as needed. Each Metro team will address issues (burglaries, gangs, assaults, drug dealing, etc.) affecting their assigned division.

As part of the creation of the Covert Response Unit (CRU) as recommended in the 2011-2012 Proposed Operating Budget, the Mobile Emergency Response Group and Equipment (MERGE) Unit will no longer be part of the surveillance/apprehension mission effective July 1, 2011. As part of the changes necessary in this Tier 2 Contingency Plan, MERGE will deploy to Patrol Divisions, when possible, to assist with priority calls. Their assistance with Special Operations, Metro, and Patrol training will allow Patrol to more efficiently handle lower level tactical situations themselves.


**2. Bureau of Investigations (32) (\$6.1 million)**

This action eliminates 27 Officers and five Sergeants in the Bureau of Investigations. While Tier 2 reductions would affect all units, the more drastic cuts will be implemented in property crimes units. It is anticipated that while the number of investigators decreases, a higher number of certain types of cases will not be assigned due to reduced staffing levels. All homicides and sexual assaults will be assigned for investigation; however, almost all other types of crimes will be evaluated to determine whether they will be assigned for follow-up investigation or closed due to a lack of staffing resources. It is also anticipated that the training that investigative staff provides to patrol and outside agencies will be reduced. Overtime may also increase primarily in the form of compensatory time as the number of detectives decreases, because there will be fewer resources to investigate cases, cover the "on-call" rotation, and be called back to investigate ongoing serious crimes. The following units will be impacted:

- *Assaults/Juvenile Unit (9 positions):* Eliminates two Sergeant and seven Officer positions of 22 positions assigned to the Assaults/Juvenile Unit. This unit is comprised of the following details: Assaults, Juvenile, Missing Persons, and Anti-Graffiti. With this reduction, Assaults, Juvenile and Missing Persons Details will be merged and supervised by one Sergeant and all Details will reduce staffing levels. All cases will be evaluated to determine case solvability and level of investigative intensity needed; however, cases will continue to be triaged and assigned accordingly. The two staff assigned to Anti-Graffiti will be eliminated. The community will continue to have access to the graffiti program and be able to upload pictures as needed; however, the program will not be monitored on a regular basis.

Contingency Plan Changes	Positions	General Fund \$
<b>2. Bureau of Investigations (Cont'd.)</b>		
<ul style="list-style-type: none"><li>- <i>Special Investigations Unit (1 position)</i>: Eliminates the one remaining Officer position assigned to the Special Investigations Unit after the proposed Tier 1 reductions. The Police Department will continue to provide security in conjunction with City Hall security staff for all Council meetings and City Hall. Based on the threat assessment, security services may be limited for the Council and the Mayor when meeting throughout the community or traveling on business.</li></ul>		
<b>3. Truancy Abatement and Burglary Suppression Program (TABS)</b>	<b>(2)</b>	<b>(\$0.4 million)</b>
<p>The action will eliminate two Officer positions from the Truancy Abatement and Burglary Suppression (TABS) Program in Crime Prevention and Community Education, resulting in the elimination of all remaining sworn positions in that core service. The elimination of the TABS Unit will eliminate any proactive and preventive activity focused on curtailing truancy throughout the City. Patrol will address issues related to truancy and burglary within each patrol district.</p>		
<b>Contingency Plan Total</b>	<b>(156)</b>	<b>(\$28.4 million)</b>

The service reductions outlined in the Tier 2 Police Sworn Contingency Plan would significantly impact the Police Department's ability to provide public safety services to our community. The elimination of 156 positions in this Plan would be effective July 2011. Because there are insufficient vacancies for employee placement purposes, this Plan would result in the layoff of an additional 156 sworn Police staff. These service reductions will not be needed if there is a voluntary settlement with the POA for a 10% ongoing compensation reduction, as has occurred to date with many of the City's employee groups, including the San Jose Fire Fighters.

  
DEBRA FIGONE  
City Manager